

REDEVELOPMENT
(SALE TO PRATTEN)

ORDINANCE NO. 534

VILLAGE OF BELLEVUE, ILLINOIS

AN ORDINANCE AUTHORIZING THE CONVEYANCE OF LAND
WITHIN A REDEVELOPMENT PROJECT AREA

WHEREAS, Section 11-74.4-4 of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-4) provides that no conveyance of land by a municipality related to a redevelopment project shall be made except upon the adoption of an ordinance by the corporate authorities;

WHEREAS, the Village of Bellevue (the "Village") has, pursuant to statute, designated a redevelopment project area and approved redevelopment plans;

WHEREAS, the Village has acquired title to a parcel within the redevelopment project area (the "Parcel"), the Parcel being described in Exhibit A to the Redevelopment Agreement attached hereto;

WHEREAS, the Village has received a proposal from Variety Holdings, LLC (the "Developer"), whereby the Developer proposes to construct an approximately 10,000 square foot facility for Variety Specialties & Amusement Co. on the Parcel, which is expected to generate substantial tax revenue and employment opportunities;

WHEREAS, the Village has advertised its request for alternate proposals by publishing the same in a newspaper of general circulation within the Village on February 17, 2003, February 24, 2003 and March 3, 2003;

WHEREAS, the Village has received no alternate proposals;

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF
THE VILLAGE OF BELLEVUE as follows:

1. The sale to the Developer of the Parcel is consistent with the redevelopment plan and project of the Village.
2. The sale of the Parcel pursuant to the terms of the Redevelopment Agreement attached hereto is hereby approved.
3. The President, Clerk and other officers of the Village are authorized to execute all documents and to perform all acts necessary to convey the Parcel to the Developer.
4. The Village Clerk is authorized to publish this Ordinance in pamphlet form.
5. This Ordinance shall take effect upon passage.

PASSED AND APPROVED THIS 28th DAY OF April, 2003.

AYES: 4
NAYS: 0
ABSENT: 2

VILLAGE OF BELLEVUE

By: Ralph E. Wilson
Ralph E. Wilson, President

Attest: Carol A. Payne
Carol A. Payne, Village Clerk
James Anderson, Deputy

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT is dated as of _____, 2003, between the Village of Bellevue, Peoria County, Illinois, an Illinois municipal corporation (the "Village"), and Variety Holdings, LLC, an Illinois limited liability company (the "Developer").

For the purpose of this Agreement, the following terms shall have the meanings as hereinafter indicated:

"Act": Shall mean the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., including all amendments thereto.

"Redevelopment Plan" Shall mean the Starr Lane Tax Increment Redevelopment Plan, as amended from time to time.

"Redevelopment Project Area" Shall mean the Starr Lane Redevelopment Project Area, as described in the Redevelopment Plan, sometimes also referred to herein as the "TIF District".

- PREAMBLE - DESIGNATION OF REDEVELOPMENT PROJECT AREA

A. Adoption and Qualification as a TIF District. The Village has previously approved the Redevelopment Plan, designated the Redevelopment Project Area a redevelopment project area pursuant to the Act, adopted tax increment allocation financing therein, and directed that the tax increment shall be allocated to and, when collected, shall be paid to the Village Treasurer who shall deposit said funds in the special tax allocation fund for the purpose of paying redevelopment project costs and obligations incurred in the payment thereof.

B. Objectives. The reasons for establishing the Redevelopment Project Area are to eliminate the blighted conditions in the Redevelopment Project Area and to guide private development projects in order to achieve the objectives set forth in the Redevelopment Plan.

C. Incentives. To help achieve the aforementioned objectives, and to help realize the resultant benefits, the Village will enter into this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and representations hereinbefore, and hereinafter, set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**ARTICLE I
CONSTRUCTION OF
REDEVELOPMENT IMPROVEMENTS**

1.1 Developer to Construct Redevelopment Improvements. The Developer shall at its sole cost and expense construct, on the Project Site (as hereinafter defined) an approximately 10,000 square foot facility for Variety Specialties & Amusement Co.(the "Redevelopment Improvements") in substantial conformance with a site plan and construction plans to be approved by the Village. The Redevelopment Improvements will have a total value of not less than \$500,000, and shall be completed and open for business not later than December 31, 2003. Construction shall begin no later than July 1, 2003. The time for commencement or completion of the Redevelopment Improvements shall be extended for the time of any delay caused by unforeseen occurrences beyond the control of the Developer, such as unusual weather, labor disputes or strikes.

1.2 Developer to Maintain Redevelopment Improvements in a Safe and Sightly Manner in Conformance with all Applicable Laws and Ordinances. Developer shall, at all times, operate its facility in conformance with all applicable laws, rules and regulations including any and all ordinances of the Village. Developer shall at no time store any hazardous or special waste at the facility or discharge any noxious or hazardous fumes, liquids, or solids into the atmosphere or groundwater, or otherwise into the environment, except for substances used in the ordinary course of the Developer's business. No materials, hazardous or otherwise, shall be stored in the open or in "plain view".

**ARTICLE II
DEVELOPMENT INCENTIVES**

2.1 Conveyance of the Project Site.

(a) Sale Agreement. The Village hereby agrees to sell to the Developer, and the Developer hereby agrees to purchase from the Village, subject to all of the terms and conditions of this Agreement, the real estate described on Exhibit A attached hereto and made a part hereof (the "Project Site"). The Village shall convey title to the Project Site to the Developer by special warranty deed, subject to (i) all easements, covenants, restrictions, dedications and conditions of record, and (ii) an easement in favor of an adjoining property owner for light poles on the Project Site.

(b) Purchase Price. The purchase price ("Purchase Price") of the Project Site shall be Twenty-Five Thousand Dollars (\$25,000), to be paid by the Developer to the Village at Closing.

(c) Conditions Precedent to Conveyance. Prior to closing, the Developer shall deliver to the following, in form and substance satisfactory to the Village:

- Project Cost Analysis. An analysis of the projected cost of construction of the Project.
- Plans. A site plan and construction plans for the Redevelopment Improvements.
- Construction Contracts. Executed construction contracts for the Redevelopment Improvements with contractors reasonably acceptable to the

Village showing commencement and completion dates consistent with the Developer's obligations under Section 1.1 hereof.

- Financing. Evidence, acceptable to the Village, that the Developer has financing in place to complete construction of the Redevelopment Improvements.
 - Evidence of Financial Capacity. Evidence of the Developer's financial ability to proceed with construction of the Project.
 - Other Documents. Such other documents as are reasonably requested by the Village.
- (d) Closing. The purchase of the Project Site shall be consummated as follows:
- Closing Date. The closing (the "Closing") shall be on May 15, 2003, or such other date as may be agreed upon by the Developer and the Village in advance (the "Closing Date").
 - Conveyance. The Village shall convey the Project Site to the Developer by Special Warranty Deed, as set forth in Section 2.1(a) of this Agreement.

(e) Examination of Project Site. As of the Closing Date, the Developer warrants that the Developer has fully inspected the Project Site, or has had the opportunity to conduct a complete and thorough inspection thereof, to determine the condition thereof for any and all defects, whether known, unknown or hidden, including, but not limited to, any such defects relating to soil conditions and toxic or other hazardous materials; and the Developer expressly agrees to purchase the Project Site "AS IS," irrespective of whether the Project Site contains any defects, whether known, disclosed or hidden, it being fully understood that except as specifically set forth herein, the Village has made no warranties or representations of any kind pertaining to the Project Site, the condition thereof, the rental thereof, or any other matter pertaining to the Project Site. The Developer agrees that if there is any requirement by governmental authority to meet or comply with any regulation, ordinance or code section, or to improve any part or portion of the Project Site prior to or as a condition of sale, any such costs shall be paid by the Developer; and any such requirements shall be complied with promptly by the Developer and shall not relieve the Developer from any of the obligations imposed by this Agreement.

(f) Inspections, Etc. Prior to Closing Date. From and after the date hereof, but before the Closing Date, the Developer or its agents and employees may enter upon the Project Site for the purpose of making inspections, surveys and tests of the Project Site; provided, however, that (1) if during the course of such inspections, surveys and tests, the condition of the Project Site is changed or disturbed in any manner, the Developer shall return the Project Site to the condition that existed prior to such inspections, surveys and tests; and (2) the Developer shall indemnify and hold the Village harmless against all expenses, damages or costs (including reasonable attorneys fees and costs) incurred by the Village by reason of legal liability in respect to bodily injury, death and property damage arising from the Developer's activities on the Project Site including, without limitation, such inspections, surveys or tests.

2.2 Reverter. If the Redeveloper fails to commence or complete construction of the Redevelopment Improvements prior to the dates set forth in Section 1.1 of this Agreement, the Project Site shall revert to the Village upon the repayment of the Purchase Price to the Developer.

ARTICLE III INDEMNIFICATION

Developer agrees to indemnify, defend and hold harmless the Village, its President, Trustees, employees, agents, representatives and attorneys, in both their official and individual capacities, from and against all claims, causes of action and suits of every kind and nature, including liabilities, damages, costs and expenses and reasonable attorneys' fees brought by third parties growing out of or arising from any and all conduct of the Developer, their agents, employees, attorneys and representatives in connection with the acquisition and construction of the Redevelopment Improvements and operation of their business in the Redevelopment Project Area. Further, the Developer (not the Village) shall be solely responsible for the completion of this Project.

ARTICLE IV NOTICE

4.1 Form. All notices and demands required hereunder shall be in writing and shall be deemed given when delivered personally or three (3) days after deposit in the United States Mail, postage prepaid, certified, with return receipt requested, addressed to the parties as follows:

If to the Village:	Village of Bellevue 320 S. Main Street Bellevue, Illinois 61604 Attention: Clerk
With a copy to:	Michael R. Seghetti Elias, Meginnes, Riffle & Seghetti, P.C. 416 Main Street, Suite 1400 Peoria, Illinois 61602
If to Developer:	Variety Holdings, LLC 106 Center Street Sparland, Illinois 61565 Attention: William P. Prather
With a copy to:	Jane E. Ohaver 111 W. Washington St., Suite 101 P.O. Box 2503 East Peoria, Illinois 61611

ARTICLE V TRANSFER RESTRICTIONS

Until December 31, 2009, the Developer may not sell, lease or otherwise convey any unimproved portion of the Project Site without the prior written consent of the Village, which the Village may withhold in its absolute discretion.

ARTICLE VI GENERAL

6.1 Assessment of Redevelopment Project Area. The parties agree that the Redevelopment Improvements shall be assessed for general real estate taxes in the manner provided by Illinois Compiled Statutes, as amended from time to time. The Developer agrees that it will not do any of the following for so long as development incentive payments are to be made hereunder:

- a. Request a full or partial exemption from general real estate taxes; or,
- b. Request an assessment at a value not permitted by law.

6.2 No Recourse Against Public Officials. No recourse under or upon any obligation, covenant or agreement of this Agreement or for any claim based thereon or otherwise in respect thereof shall be had against the elected public officials of the Village or its officers, agents, attorneys and employees, in any amount subject to the terms and conditions herein, and no liability, right or claim at law or in equity shall attach to or shall be incurred by the elected public officials of the Village or its officers, agents, attorneys and employees and all such claims are hereby expressly waived and released as a condition of and as a consideration for the execution of this Agreement by the Village, provided such elected officials, officers, agents, attorneys and employees are acting pursuant to lawful authority and are uniformly enforcing and/or administering the laws, ordinances, practices and procedures of the Village. This paragraph is a waiver of claims only with respect to the individuals named herein, and is not a waiver by the Developer of any claims against the Village.

6.3 No Waiver. Failure of any party to this Agreement to insist upon the strict and prompt performance of terms, covenants, agreements, and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

6.4 Village Action. Where Village approval or direction is required by this Agreement, such approval or direction means the approval or direction of the Village Board unless otherwise expressly provided or required by law, and any such approval may be required to be given only after and if all requirements are inconsistent with this Agreement.

6.5 Recordation. This Agreement or a memorandum thereof may be recorded with the Recorder of Deeds of Peoria County, Illinois, by either party.

6.6 Incorporation of Recitals. The definitions and recitals set forth in the Definition of General Terms and Preamble are hereby specifically incorporated into this Agreement.

6.7 Entire Agreement. The terms and conditions set forth in this Agreement and its Exhibits supersede all prior oral and written understandings and constitute the entire agreement between the Village and the Developer.

6.8 Binding Upon Successors in Interest. This Agreement shall be binding upon the parties hereto and their respective heirs, successors, administrators, assigns, or other successors in interest.

6.9 Titles of Paragraphs. Titles of the several parts, paragraphs, sections, or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provision.

6.10 Covenants to Run with the Land. The Developer hereby subjects the Redevelopment Improvements to the covenants, reservations, and restrictions set forth herein. The Village and the Developer hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land to the extent permitted by law and shall pass to and be binding upon the successors in title to the Redevelopment Improvements throughout the term of this Agreement. Each and every contract, deed, mortgage or other instrument hereinafter executed covering or conveying the Redevelopment Improvements or any portion thereof shall be conclusively held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.

VILLAGE OF BELLEVUE, ILLINOIS

DEVELOPER:

VARIETY HOLDINGS, LLC

By: _____
Ralph E. Wilson, President

By: _____

Attest: _____
Carol A Payne, Village Clerk

Its: _____

The undersigned personally guarantees the obligations of the Developer contained in the foregoing Agreement.

William P. Prather

Date: _____, 2003

EXHIBIT A

LEGAL DESCRIPTION

Lot 5 of Enterprise Subdivision, Phase II, Village of Bellevue, Peoria County, Illinois, per plat recorded with the Peoria County Recorder on August 29, 2000 in Plat Book 7, Page 93.